



# ICM

MARCH 2016

OPERATIONS CHAIN MANAGEMENT

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
  - b) Answer any FIVE questions
  - c) All questions carry equal marks. Marks for each question are shown in [ ]
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1. A value analysis process requires careful planning and application if it is to be effective. Review the stages that should be followed when undertaking a value analysis process. [20]
  2. Leasing should be a consideration for every purchasing manager when buying equipment. Review the advantages and disadvantages of leasing as an approach. [20]
  3. A strategy of outsourcing activities or functions is attracting increasing interest in many organisations. Set out the approach that you would adopt to outsource an activity. [20]
  4. Critically evaluate the role of wholesalers in the supply chain. [20]
  5. Review the main categories of costs that an organisation will incur in obtaining and holding stock. [20]
  6. Explain the different levels of make or buy decisions that a company can consider. [20]
  7. Many companies pursue a policy of standardisation. Analyse the benefits that a policy of standardisation can bring to an organisation. [20]
  8. The utilisation of computers to support the purchasing function is now a common feature in every organisation. Review the benefits that computerised purchasing brings to an organisation. [20]